



## FOR IMMEDIATE RELEASE

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## State announces return-to-work support payments

SANTA FE – New Mexico state officials on Friday announced a support program that will provide supplemental payments for New Mexicans receiving unemployment benefits who return to work in coming weeks, with some workers receiving up to \$1,000, as a means of accelerating the recovery of the state's workforce.

The program will begin next week – the week of July 4 – and run through August 28. Unemployment claimants who secure a job over the next four weeks will have to remain employed through August 28, the end date of the program, to receive payments.

Beginning next week, if an unemployment claimant reports a new job, they will receive a one-time \$1,000 supplement from the state Department of Workforce Solutions upon the conclusion of the nine-week program. The funding comes from federal stimulus. Information on the program can also be found on the <u>Department of Workforce Solutions website</u>.

The support payments will be adjusted correspondingly as the program moves forward:

- If an unemployment claimant reports a new job during the week beginning July 11, they will receive an \$800 supplement from the state Department of Workforce Solutions upon the conclusion of the nine-week program.
- If an unemployment claimant reports a new job during the week beginning July 18, they will receive a \$600 supplement from the state Department of Workforce Solutions upon the conclusion of the nine-week program.
- If an unemployment claimant reports a new job during the week beginning July 25, they will receive a \$400 supplement from the state Department of Workforce Solutions upon the conclusion of the nine-week program.

"The state will continue doing what it can to help workers and businesses get back on their feet," said **Gov. Michelle Lujan Grisham**. "If we can make it even just one degree easier for someone to get back to work, helping offset transition costs, then we've got to do that – and we can and we will."

"The costs associated with returning to work can vary for claimants depending on their personal circumstances," said **Acting Workforce Solutions Secretary Ricky Serna**. "They can include expenses related to transportation, childcare, work uniforms and other living costs that stem from a reduction in benefits following a report of income. These return-to-work support payments aim to offset these costs. And the support payments are structured to encourage claimants to return to work as soon as possible to maximize their payment amount."

Expanded federal unemployment supplements expire Sept. 4. The support payments are aimed at encouraging and supporting a return to work before the federal supplement expires. The Federal Reserve has studied whether the federal unemployment supplement makes unemployment claimants unwilling to accept job offers, finding only "small [disincentive] effects" regarding a return to work associated with the supplement.

The Department of Workforce Solutions projects up to 15,000 current unemployment claimants may take part in the support payment program. At the maximum, the agency anticipates a total program cost of up to \$10.1 million, which will be funded by American Rescue Plan federal stimulus provided to the state.

More than 70,000 New Mexicans are receiving unemployment insurance as of June 29.

The number of claimants receiving payments through the state unemployment insurance program has declined by 2,386 on average per week over the past three weeks.

How do claimants ensure their participation?

- Secure a job within the weeks listed above (from the week beginning July 4 to the week ending July 31)
- Indicate the start date of their new job on their next weekly certification (the certification process already requires claimants to report if they returned to work full-time during the prior week)
- Stop certifying for unemployment benefits (after reporting your new job) through August 28.

Claimants should update their payment information on their unemployment insurance claim to ensure support payments are sent to the correct financial institution.

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